

DEC 1951 21-40

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CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

25X1A

COUNTRY Philippines

SUBJECT Sulphur Exploitation and Reserves/Soriano and Company
Announces Sales Contract/Baguid Mining Company
Improves Mill/Mining PersonnelPLACE ACQUIRED
(BY SOURCE)DATE ACQUIRED
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NO. OF PAGES 2

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SUPP. TO
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1. "One of the largest sources of sulfur in the form of pyrite not only in the Bicol region but in the whole Philippines is the property of the Hixbar Mining Company at Karagkag, Rapu Rapu, Albay. It is composed of 42 unpatented mining claims staked on the southeastern part of Rapu Rapu island. Nielson and Company, Inc has been the operator since 1938. This operating contract was reactivated by both parties as of 3 Jul 50.
2. "Estimates made in 1951 by E M Irving and D P Cruz place the ore reserves of Hixbar at 100 thousand to 200 thousand tons of pyrite ore of 20-40% sulfur.
3. "Pyritic sulfur in the Philippines is estimated to aggregate 350 thousand metric tons. The reserves of elemental or native sulfur, according to available reports, do not exceed 47 thousand metric tons. Tailings from mines that have complex sulfide ores cannot be definitely assessed. At present, a stockpile of such material in Surigao may easily exceed 42 thousand metric tons. With proper beneficiation processes and cheaper transportation facilities these pyritic tailings may yet be a steady source of raw materials for the fertilizer plant at Iligan City, Lanao.
4. "Annual consumption of the Manila Fertilizer plant is placed at 40 thousand metric tons of 40% sulfur or about 15 thousand metric tons of pure sulfur. The overall estimate of the sulfur resources is 440,880 metric tons which assays on the average around 40% sulfur. Using a conversion factor or percentage recovery of 75%, our sulfur potentials can supply the fertilizer plant for about 11 years.
5. "Soriano and Company, general managers for Atlas Consolidated Mining and Development Corporation, announced the conclusion of a three-year agreement for the sale of copper concentrates from the Toledo mine in Cebu with the Mitsubishi Metal Mining Company, Ltd of Japan.
6. "The contract, in addition to being a sales agreement for the concentrates, involves an advance payment of \$750 thousand in the form of equipment to aid in

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- 2 -

developing the mine. It was signed by Mr A M Macleod, executive vice president of A Soriano y Cia, and Seiichi Komura, vice president of Mitsubishi Metal Mining Company.

7. "The Atlas mining firm expects to have its mill in operation by the middle of 1954. This will be the largest copper concentrator in the Far East. The investment required to put the Toledo property into production is estimated at \$7,500,000.
8. "At Baguio Gold Mining Company, the lower than normal tonnage milled, for the second successive month, was due to excessive slime. To correct this condition and insure cleaner and more economical handling of the ore, it has been decided to install a washing plant. To this end a new Telsmith Crusher and a Corro Type duplex heavy duty drag classifier will be installed and connected with the mill through the use of conveyor beltings. At the same time, to take advantage of extra capacity in the crusher and filter units, two new tray thickeners, each 30 feet by 15 feet will be added in circuit, thus increasing the capacity of the mill to over 500 tons per day [REDACTED]. 25X1X
9. "J B Stapler has become consulting engineer for Marsman and Company, Inc. His place as manager of the mines division will be taken by G H Newman who, for many years, has been head geologist and recently manager of Marsman, Inc.
10. "Brig Gen Florencio Selga, Philippine constabulary chief, has directed all provincial commanders to supervise closely the use of explosives by licensed firms with a view to preventing their being channelled into the blackmarket. The order, contained in a memorandum issued by the PC chief yesterday, was prompted by a recent discovery made by PC agents that most of the explosives sold in the blackmarket were being coursed through mining companies and other licensed users of the restricted item, now [REDACTED] reportedly used widely in dynamite fishing, which is prohibited by law." 25X1X

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